



THE UNITED REPUBLIC OF TANZANIA  
**TANZANIA INSURANCE REGULATORY  
AUTHORITY**



**CIRCULAR LETTER NO. 029/2015 (REVISED VERSION 01)**

**TO: ALL INSURANCE REGISTRANTS**

**ISSUE DATE: 10TH JUNE 2024**

**EFFECTIVE DATE: 1ST JULY 2024**

**SUBJECT: MAXIMUM COMMISSION RATES PAYABLE BY INSURERS  
IN RESPECT OF ALL CLASSES OF INSURANCE &  
REINSURANCE**

1. The Tanzania Insurance Regulatory Authority ("TIRA" or "the Authority") hereby revises Circular No. 29/2015 issued on 11th March 2015 regarding maximum commission rates payable in Tanzania Insurance Market for direct insurance business and reinsurance business (Mandatory Policy cessions) for insurance registrants operating in the United Republic of Tanzania.
2. Revision of the Circular is a response to lessons learnt by the Authority during the implementation of the previous version of the circular as well as a review of the market dynamics and the performance of general insurance business, and adoption of the Actuarial Study Report by the ATI Life council to intermediary commissions across all distribution channels for Group Life Assurance and Group Credit Policies.
3. The recommended commission rates are expected to encourage the insurers and intermediaries to boost the volume of business for classes of business.

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4. The commission rates are capped in line with provisions of Section 37(1) of the Insurance Act, 2009 which state as follows:

*"The Commissioner may, by notice published in the Gazette, determine the minimum and maximum commission rates payable by insurers to other insurers, brokers or agents in respect of all or any class of insurance or reinsurance."*

5. This Circular therefore serves to require insurance registrants to the following maximum commission rates payable in Tanzania Insurance Market for direct insurance business (by General Insurance Companies and Life Insurance Companies) and Tan Re on (Mandatory Policy cessions), respectively.

<b>Class of Business</b>	<b>Maximum Commission Payable on Direct Insurance Business by all Insurers</b>	<b>Maximum Commission Payable by TAN-RE on Mandatory Policy Cessions (Including the 2.5% over-rider)</b>
Fire Insurance	20.00%	22.50%
Engineering Insurance	15.00%	17.50%
Engineering (Plate glass)	17.50%	20.00%
Motor	12.50%	15.00%
Individual Personal Accident	15.00%	17.50%
Group Personal Accident	17.50%	20.00%
Marine Insurance	15.00%	17.50%
Aviation Insurance	15.00%	17.50%
Health Insurance	10.00%	12.50%
Liability Insurance	17.50%	20.00%
Professional indemnity	15.00%	17.50%
Workmen's Compensation	17.50%	20.00%
Bond Insurance	17.50%	20.00%
Theft Insurance	17.50%	20.00%
Money Insurance	15.00%	17.50%
Goods in Transit	15.00%	17.50%
Miscellaneous and Other General Insurance	17.50%	20.00%
Group Life Assurance (including Group Credit Policies)	15.00%	17.50%

6. This Circular replaces its previous version issued by the Authority on 11th March 2015.
7. **Circular Effective Date:** The provisions of this Circular shall take effect from **1st July 2024.**

A handwritten signature in blue ink, consisting of stylized initials and a surname, positioned above the printed name.

Dr. Baghayo A. Saqware

**COMMISSIONER OF INSURANCE**